

ALL TAX REPEAL OFF UNTIL JAN. 1, 1922, IS NEW REVENUE PLAN

Proposed Measure Would
Give \$500,000,000 Additional
and Obviate New
Levies, Is Claim.

ARMY AGAIN A TARGET

Senator Borah Asks Cut to
100,000 Men and Stop-
page of Work on Six
Battleships.

WOULD SAVE \$400,000,000

Original Plan Was to Repeal
Burdensome War Taxes on
Jan. 1, 1921, but Money
Is Needed.

Special Despatch to THE NEW YORK HERALD.
New York Herald Bureau,
Washington, D. C., Aug. 5.

All the present taxes, including excess profits and high surtax rates, may not be repealed until January 1, 1922, because of the great need of the Government for revenue during the current year, as outlined by Secretary of the Treasury Mellon. This was learned to-day from prominent members of the House Ways and Means Committee.

Previously it was planned to make the repeal of the excess profits and the reduction of the surtax rates retroactive to January 1, 1921, thus relieving business of this burden during the present year. The new plan would give the Government about \$500,000,000 more revenue, and, in the opinion of House leaders, would obviate the necessity of new taxes, taking into consideration a probable large reduction in estimated expenditures.

Should this be done it is probable that the flat corporation income tax would not be increased from 10 to 15 per cent.

Meanwhile leaders in Congress are seeking a way to force a big cut in estimated expenditures for the fiscal year which Secretary of the Treasury Mellon says will reach \$4,550,000,000 unless drastic action is taken.

The difficulty lies in the fact that most of the appropriations already have been made for the expenditures estimated by Mr. Mellon.

Borah Asks at War Costs.

As a stringent economy measure, Senator Borah to-day proposed that the army be cut to 100,000 men, that American troops in Germany be returned and that the construction of six battleships be stopped. This would save \$400,000,000, he said. The Senator introduced a resolution directing a reduction of the army.

Republican leader Mondell gave assurances that all requests for deficiency appropriations will be cut to "the irreducible minimum," and that every effort will be made to force reductions in appropriations already made. Leaders in fact, indicate they will try to "cut budget" the new Budget Bureau.

The House Appropriations Committee will cut the request of the Shipping Board for \$125,000,000 to about \$55,000,000.

Mr. Mondell is confident expenditures could be cut so that the maximum necessary would be \$3,500,000,000 instead of \$4,550,000,000, as given by Secretary Mellon. Of the former amount the tariff would yield \$770,000,000, thus making in his opinion, a tax bill of about \$2,730,000,000.

"The great problem is to get over the hump of the present fiscal year," said Mr. Mondell. "Mr. Mellon's figures are the outside limit and include about \$900,000,000 to settle war obligations. Personally I think that a saving of about \$400,000,000 can be effected by which \$1,500,000,000 would be in lowering the army force, and \$250,000,000 in abandoning part of the battleship construction. He argued that the bombing of German ports on the Virginia Capes demonstrated that battleships now building are obsolete, or nearly so, believing that greater protection would be afforded through submarine and airplane construction.

Reductions in army and navy at this time, Senator Borah said, would demonstrate to the world the "good faith" of the United States in calling the conference for limitation of armaments as well as making possible lowering of taxes, or at least preventing an increase. Unless something of the sort is done, he prophesied heavy reductions in the Republican majorities in both Houses at the next Congressional election.

The address commended undivided attention and led at times to general discussion, practically every word of which enforced the need for economy. Senator Borah's plan was especially commended the proposed to have American troops returned from Germany.

Why Keep Troops in Germany?

Both Senators Brandegee and Borah stated they saw no possible advantage other to the United States or Europe in keeping the troops in Germany.

"To increase taxation at this time would be almost disaster and to fail to reduce them would be deplorable," said Senator Borah. "I know of no way to reduce taxes except by reducing expenditures, and we have no material sources of reduction except in the army and navy."

GERMANS, TO GET INTO U. S., SHIP FOR 1 CENT A MONTH

Secretary Davis Believes That They Are Permitted to
Land in This Country as Sailors and Then
Flee to Interior.

WASHINGTON, Aug. 5.—Numbers of Germans are shipping at German ports on American bound vessels as seamen at wages of one cent a month, Chairman Lasker of the Shipping Board has advised Secretary Davis in a letter made public to-day. Secretary Davis believes that the Germans are permitted to land in this country as seamen and then flee to the interior.

Until a treaty is signed with Germany, it was explained, it will not be legal for German citizens to enter the United States.

The Secretary said he expected to ask that a bill be introduced in Congress requiring the registration upon arrival of all foreign seamen. There are probably 40,000 Chinese in this country without legal right to be here, he added, as a result of the seamen's act, which permits foreign seamen to land at American ports.

More than a thousand Assyrian Christians, fleeing from persecutions by Mohammedans, are on their way to the United States on small sailing vessels, Secretary Davis said to-day. According to information reaching the Department of Labor, he added, they are part of a party of 75,000 who started to march from the interior of Persia to ports, 25,000 of whom died on the way.

Those who survived boarded available vessels that were leaving for Japan and the countries of Europe and America. The thousand coming here, the Secretary said, will be far in excess of the quota for Persia, against which country they should be charged under the percentage immigration laws, but he added that no decision had been reached as to what would be done with them.

12 MILE LIMIT SET AS DRY BOUNDARY

Attorney-General's Office
Finds Statute to Cover Libel
on British Schooner.

3 MILE ZONE ABANDONED

Vessel Considered as a Violator
of Customs and Prohibition
Laws.

Special Despatch to THE NEW YORK HERALD.
New York Herald Bureau,
Washington, D. C., Aug. 5.

The dry boundaries of the United States were set twelve miles out at sea to-day. The old three mile zone, bordering which booze running craft might scurry unmolested, became a thing of the past.

That momentous decision was reached by the United States Attorney-General's office in giving authorization to United States Attorney William Hayward of New York to bring libel proceedings against the British schooner *Herry L. Marshall*, seized by Coast Guard men off the Jersey shore.

For in searching for the law, and in determining how far the law would reach, the Attorney-General's office came to the conclusion that liquor cargo carrying would be subject to actions under sections of the revised statutes dealing with smuggling and the transfer of contraband goods at sea within twelve miles of shore.

The decision of the Government to press the case against the Britisher came after some hours of doubt and only after Mr. Hayward had laid his case fully before Acting Attorney-General Goff and they had gone over the evidence in a thorough discussion.

Then it was announced that Mr. Hayward's investigation had shown that the schooner had violated both the prohibition laws and the customs laws, and the custom laws, if upheld as grounds for checking the operations of rum running craft, will put an end to the hopes of those American citizens who were still hoping that real booze may yet be brought into the country. The three mile limit, which used to be a sort of joke, now appears to have been a sad joke.

Acting Attorney-General Goff, until receipt of Mr. Hayward's record of evidence in the Marshall case appeared to be in doubt as to the grounds for the seizure, and even expressed the opinion informally that the action of the Coast Guard captain appeared to have been of "doubtful legality." Later facts, however, changed his attitude and he said it now seems clearly established that the schooner was a violator of both laws, and that the seizure was lawful.

Mr. Goff said he withdrew his summons to District Attorney Hayward to come to Washington in connection with the case when the latter by telephone disclaimed responsibility for certain statements attributed to him. Mr. Hayward in his statement said that he was in no way connected with the seizure of the ship *Marshall*. "I did not know the ship *Marshall*," he said. "I was in quarantine; then I made an investigation and reported the facts to the Department of Justice by wire and asked for instructions."

Although the chief violations alleged to have been committed by the *Marshall* were in the jurisdiction of the District Attorneys of New Jersey and Brooklyn, Acting Attorney-General Goff said that the United States District Attorney here will take action to hold the schooner Henry L. Marshall and that renewed efforts will be made to catch another vessel engaged in the coastwise rum trade, the name of which is known to the Government.

That definite knowledge of the operations of another rum runner is in the Government's possession was stated by United States Attorney Loss of Brooklyn following the appearance of four of

LOU TELLEGEN ASKS SEPARATION FROM GERALDINE FARRAR

Locked Out of West 74th St.
Home, Actor Accuses Wife
of Desertion.

HINTS OTHER CHARGES

Her Professional Aspirations
Incompatible With
His Desire for Home Life.

FIRST RIFT CAME JULY 25

Marriage in 1916 Was Her-
alded in Theatrical Circles
as 'a Perfect Union.'

Lou Tellegen, actor, has begun suit for separation from Miss Geraldine Farrar, grand opera prima donna and movie star, in the Supreme Court of Westchester county. Harry N. Steinfield, attorney for the actor, said last night that Mr. Tellegen, among other things, alleges the singer deserted him. Papers in the suit were served on Miss Farrar Thursday night, the lawyer said, as she stepped out of an automobile in front of her home, 20 West Seventy-fourth street. This last statement, however, was denied by Alvin Untermyer, Miss Farrar's attorney.

Mr. Tellegen began the suit, his lawyer said, only after he had tried unsuccessfully for eleven days to enter his Seventy-fourth street home. The door was barred against him, the locks were changed, and Mr. Steinfield declared, servants peered through the window blinds as the actor stood ringing the doorbell for as long as fifteen and twenty minutes at a time. Mr. Tellegen as a result has taken up temporary quarters at the Ritz-Carlton.

Locked Out of Home.

The first rift in the happiness of Mr. and Mrs. Lou Tellegen appeared July 25 last, it was learned, when a clerk of the law firm of Guggenheimer, Untermyer & Marshall, 120 Broadway, attorneys for the singer, appeared in Long Beach, where the actor had been spending a few weeks. The clerk handed a letter to Mr. Tellegen. It suggested he call at the office of the firm to discuss "certain differences that have arisen between you and yourself (meaning Mrs. Tellegen)." The letter went on to say that "under the circumstances you are not in the meantime to enter Mrs. Tellegen's house." The actor also was advised that if he would let his wife know what his address would be, "Mrs. Tellegen will forward you a wearing apparel and other necessities."

Instead of going to see Mr. Untermyer, whose name is said to have been signed to the letter, Mr. Tellegen, his lawyer states, went direct to his Seventy-fourth street home. As he walked up the steps he took his key from his pocket and started to insert it into the lock, but it would not go in. The lock on the door had been changed. The actor then rang the bell and waited. Ten, fifteen minutes passed but there was no response. Glancing at the windows, Mr. Steinfield says, the actor could see his servants peering through the blinds.

Mr. Tellegen went to a telephone and called up the house on his wife's private telephone. One of the servants answered the wire. "No, Mrs. Farrar is not at home," was the reply the actor received. He then went back to the house and tried the doorbell once more, but to no avail.

Waited Eleven Days.

Mr. Steinfield is authority for the statement that his client followed this procedure for eleven days—that is, from the afternoon of July 25 to Thursday—without ever getting so much as beyond the top step of the door. Mr. Tellegen then called on his lawyer and asked that the suit be instituted. Other allegations are set up in the complaint, the lawyer admitted, than the charge of desertion.

"All I will tell you now is that a suit has been begun," Mr. Steinfield said last night. "Other matters will come out in the course of time."

The "other matters" Mr. Steinfield refers to are said to concern the home life of Mr. and Mrs. Tellegen, and particularly the desire of the actor for a quiet home, which, it is said, he found to be in conflict with the professional aspirations of his wife.

Process servers took a position outside the home of Miss Farrar Thursday evening while she was out for an automobile ride. They waited three hours until she returned, and as the singer alighted from the car the summons and complaint were thrust into her hand upon an admission of identity, according to Mr. Steinfield.

Mr. Untermyer made this statement last night:

"It is not true that Miss Farrar has been served with any papers whatever either in an action for separation or otherwise. Nor have I received any such statement for her."

The fake proceedings in which Tellegen is so disgracefully indulgent would alone justify her in having nothing further to do with him.

"Miss Farrar does not propose to try her case in the newspapers and regrets that it has become necessary for me to make this statement in her behalf. She has been far too lenient with this actor."

COL. SAMUEL P. COLT ILL. AT BRISTOL, R. I., HOME

Paralysis of Right Side Fol-
lows a Shock.

Special Despatch to THE NEW YORK HERALD.
Providence, Aug. 5.—Col. Samuel Pomeroy Colt, chairman of the Board of Directors of the United States Rubber Company, is in a critical condition at his Bristol residence.

He suffered a shock at 12:30 o'clock this morning and has paralysis of the right side. His mind is clear but he cannot talk.

Dr. Francis X. Dercum of Philadelphia, who attended former President Wilson in his recent illness, is one of the physicians at his bedside.

Colt is at Col. Colt's home, with the two sons of the financier, Russell C. Colt and Russell G. Colt. A consultation was held at noon to-day, after which the statement was authorized that Col. Colt was critically ill, but that his case was not hopeless.

It is not true that Miss Farrar has been served with any papers whatever either in an action for separation or otherwise. Nor have I received any such statement for her.

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Ford Is An Overzealous Entrepreneur, Says Road

WASHINGTON, Aug. 5.—Referring to Henry Ford as "an overzealous entrepreneur" who should not be permitted "for purposes of his own to break down freight rates" upon which a number of railroads principally depended for their livelihood, the Northern Virginia Coal Association protested to-day to the Interstate Commerce Commission against coal rate reductions proposed by Mr. Ford's road, the Detroit, Toledo and Ironton.

The protest declared that the reductions proposed would break down the entire rate structure in the Ohio territory.

LAWYER SHOT DOWN BY SPURNED WOMAN IN BROOKLYN STREET

Ellis Guy Kinkead, Attorney
of Manhattan, Slain
Entering Home.

POLICEMAN IS WITNESS

Olivia Stone, Nurse From
Cincinnati, Says Victim
Married Another.

Slayer Is Hysterical After Her
Arrest, but Says She Had
Planned the Killing.

Miss Olivia M. P. Stone, a graduate nurse, who formerly worked in the General Hospital in Cincinnati, fired two shots last night about 6 o'clock at Ellis Guy Kinkead, a lawyer of 176 Broadway, who was Corporation Counsel of Cincinnati from 1897 to 1900, and more recently a professor in the Cincinnati Law School, as he was entering his home in 45 South Elliott place, Brooklyn. Both bullets took effect. Kinkead fell to the sidewalk, and as he lay there Miss Stone fired four more shots into his body. He was dead when Lieut. Frank Farrell of the Rockaway Beach police station, who was standing at Lafayette avenue and South Elliott place, reached the spot.

Lieut. Farrell placed the woman under arrest, disarmed her with the aid of F. J. Stadoro of 339 Gate avenue, and took her to the Classon avenue police station, where she became hysterical after she had told the detectives there that Kinkead was her husband and had deserted her to marry Mrs. Marie Kinkead, with whom he had been living at the South Elliott place address.

For some time Miss Stone, who is 31 years old, insisted that she was Mrs. Kinkead and that she had no other name, but after the police had questioned her for some time she gave her name as Stone and said that she was stopping at the Martineau, Broadway and Thirty-second street. A room key of that hotel was found in her handbag, together with a watch, two clinical thermometers and a dollar in cash.

Calls Victim a "Dirty Dog."

When the detectives asked Miss Stone why she had killed Kinkead she shouted hysterically that the dead man was a "dirty dog and had ruined" her, and that she had gone to Brooklyn yesterday afternoon with the intention of killing him, and had waited on the corner for some time for him to come along.

"If you want to know what this is about," she cried, "ask Harold Swain!"

Mr. Swain is a lawyer, with offices in 176 Broadway, and is head of the law firm by which Kinkead had been employed since he came to New York from Cincinnati. The New York Herald told Mr. Swain over the telephone last night that Kinkead had been murdered, and Mr. Swain exclaimed:

"Did she get him?"

Mr. Swain then said that Kinkead came to New York a little more than a year ago and entered the employ of his firm. He came highly recommended, as besides having been Corporation Counsel of Cincinnati and a former member of the faculty of the Cincinnati Law School, he had served for some years as a member of the Board of Trustees of the University of Cincinnati and was a prominent lawyer of the Ohio city. Among his clients for some years was the Cincinnati Traction Company, and he was also associated in law practice with Wade H. Ellis, who later became Attorney-General of Ohio.

Two months ago Miss Stone called on the Swain law offices and tried to see Kinkead, but failing had a talk with Mr. Swain regarding her relations with the man she shot last night. She said, according to Mr. Swain, that she was Kinkead's common law wife, but she did not say that a civil or religious ceremony had ever been performed. Kinkead merely told her that he was married, and she agreed to live together as man and wife. She declared that she thought such a marriage was legal and binding, and was assured by Kinkead that it was.

Mr. Swain said that at the time she called on him she appeared to be under great nervous strain, and frequently referred to Kinkead as a blackguard and a "dirty dog," although she made no threats against his life then or at any other time so far as Mr. Swain knows. She did complain, however, that Kinkead had ruined her, lived with her as his wife and then had deserted her to marry another woman. She said that she became acquainted with Kinkead while she was employed in the General Hospital in Cincinnati.

Two First Met in Hospital.

Kinkead, then a Cincinnati public official, had a nervous breakdown and was sent to the hospital, where she was his nurse. Later he decided to come East, this in May, 1918, and she came with him as his nurse. In May of 1919, she told Mr. Swain, she became Kinkead's common law wife.

Miss Stone told virtually the same story to the police. She said that she met Kinkead at the General Hospital, where she was his nurse, and that she became acquainted with him while he was in the hospital. She said that she became his nurse, and that she became his common law wife.

DR. PERCY S. GRANT TO WED MRS. LYDIG UPON HER RECOVERY

Clergyman Confirms Report
of Engagement, but Says
Date of Marriage Has
Not Been Fixed.

BOTH LONG PROMINENT

First Husband of Bride-
Elect Was W. E. D. Stokes
and Second Major
Philip Lydig.

FREED BY TWO DIVORCES

Episcopal Minister, a Bachelor
of Sixty, Recently Adopted
Foundling Left on
Doorstep.

Mrs. Philip Lydig and the Rev. Dr. Percy Stickney Grant, rector of the Church of the Ascension, are to be married. A rumor of their engagement was confirmed last night by Dr. Grant. The time of the wedding has not been fixed. It depends upon the state of Mrs. Lydig's health. She is now at Dr. Grant's summer home, near Bedford Village, which she took for the summer, and, under the advice of a physician, is living quietly and regaining her strength among the Westchester hills.

A report that Dr. Grant and Mrs. Lydig, who is noted for her philanthropic views and interests, as well as for her social activity, were engaged reached THE NEW YORK HERALD yesterday. Dr. Grant was found at the summer place, Beaver Lodge, Bedford Village, about three miles from Bedford Hills. He said that he did not wish to be interviewed, but answered specific questions.

"Is it true that you and Mrs. Philip Lydig are to be married?" he was asked.

"Yes," he answered.

"Has the date been set?"

"No. Date set for wedding."

"No."

"Will the wedding take place within the next six months?"

"I cannot tell."

"Is it possible that you will wait a year?"

"I couldn't say that."

"Yes," she explained his reluctance to discuss the matter by saying that Mrs. Lydig was naturally the one from whom any information should come, and he suggested that she be asked about it later.

"She is here in Bedford Village," the reporter asked.

"Yes," she replied, my house for the summer. I am now on my vacation and am visiting her. I shall return to New York on Monday."

"Will any formal announcement of the engagement be made?"

"No."

"Mrs. Lydig's condition is not serious?"

"Oh, no; she is just resting."

When the reporter first called at Beaver Lodge yesterday he was told, through some misunderstanding, that Dr. Grant had gone to Greenwich and would not return until midnight. While the reporter was announcing himself to the butler a nurse appeared and said, "Madame has rung three times," whereupon the butler hurried away.

Dr. Grant is 60 years old and a bachelor. He took charge of the Church of the Ascension nearly twenty-eight years ago. Mrs. Lydig is the daughter of Ricardo de Acosta and was before her marriage in 1885 Miss Rita Hernandez de Acosta. Her first husband was W. E. D. Stokes. She divorced him in 1900, and the son, W. E. D. Stokes, Jr., was given into the care of the mother. In 1902 she married Capt. Philip Meiser Lydig, a member of one of New York's oldest families. A decree of divorce from Capt. Lydig, who had become a Major, was granted her in February, 1919, the ground being incompatibility.

Mrs. Lydig Long Prominent.

Mrs. Lydig is a great society favorite and is celebrated not only for her beauty but for her many good works, especially during the war, when she volunteered as a member of various relief committees that she came near a physical breakdown. She was made chairman of the national war committee of the Mayor's Committee of Women on National Defense in 1917, and at once plunged into the War Savings Stamps and Liberty Bond campaigns. She has also been active in the crusade against the drug traffic and in behalf of children suffering from infantile paralysis.

In 1914 she received a gold medal from the Safety and Sanitation Committee in recognition of the devotion of time, money and energy to the cause of the unfortunate. It was given for her organization and extension of the Normal Temperance Society.

Throughout the later years of the suffrage movement she was a constant worker. She marched in suffrage parades, and one of her contributions was the exhibition of paintings of suffragists, women in 1912, so many of the burden of society and altruistic duties that she suffered a breakdown in the preceding year and lived the life of a recluse for three months in the Adirondacks. In the same year she helped Dr. Grant as a member of the playground committee of the Church of the Ascension by helping to make possible the opening of public playgrounds for the children of the neighborhood.

In 1912 it was announced that all the art treasures in her New York home would be sold at public auction, as the condition of her health obliged her to leave the city. The sale of the art treasures was a notable entertainment in her home—the play "Judith," a drama